



**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
FORMER BOONE COUNTY PROPERTY VALUATION ADMINISTRATOR**

For The Period January 10, 2000 Through June 30, 2000

**EDWARD B. HATCHETT, JR.
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AGREED-UPON PROCEDURES REPORT

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Edward B. Hatchett, Jr.
Auditor of Public Accounts

Independent Accountant's Report

Honorable Paula Goff
Former Boone County Property Valuation Administrator
Boone County Courthouse
Burlington, Kentucky 41005

We have performed the procedures enumerated below, which were agreed to by the former Boone County Property Valuation Administrator, solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, and recordkeeping, a sample of disbursements, and leases and contracts for the period January 10, 2000 through June 30, 2000. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the former Boone County Property Valuation Administrator. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Compare the budgeted statutory contribution of fiscal court to the legally required amounts calculated by the Revenue Cabinet. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the former Property Valuation Administrator's local bank account.

Finding -

The fiscal court budgeted \$175,700 for the statutory contribution required by the Revenue Cabinet and made payments to the Property Valuation Administrator. The Revenue Cabinet states that the statutory contribution should have been \$175,800 for the fiscal year ended June 30, 2000. The Property Valuation Administrator deposited the payments made by the fiscal court to the local official bank account. We recommend that the fiscal court pay an additional \$100 to the current Property Valuation Administrator's office in order to comply with the statutory obligations required by the Revenue Cabinet.

Client Response -

So noted.

Honorable Paula Goff
Former Boone County Property Valuation Administrator
(Continued)

2. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets.

Finding -

Proper purchasing procedures were followed for capital outlay expenditures and supporting documentation was available. We verified the location of all new purchases.

Client Response -

So noted.

3. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Recorded city receipts agree with confirmations and all appropriate cities are included on the former Property Valuation Administrator's records.

Client Response -

So noted.

4. Procedure -

Determine if the former Property Valuation Administrator has a receipt ledger, a disbursement ledger, and reconciles bank records to books each month.

Finding -

Receipt and disbursement ledgers appeared incomplete; however, bank reconciliations were completed each month.

Client Response -

I used Access for awhile. In the new fiscal year (2000-01), I bought Quicken. A receipt ledger is apparently inaccessible to the new PVA due to computer passwords; however Information Services should be able to override those. The new PVA was given my passwords.

Honorable Paula Goff
Former Boone County Property Valuation Administrator
(Continued)

5. Procedure -

Select a sample of disbursements from available former Property Valuation Administrator's records and agree amounts to cancelled checks, paid invoices, or other supporting documentation. Determine if the expenditure is for official business.

Finding -

Selected disbursements had proper supporting documentation and all were for official business purposes.

Subsequent to June 30, 2000, the former PVA paid for a cell phone bill in the amount of \$2,866. The former PVA discovered that an employee was using the office cell phone for personal use and had increased the minutes allowed on that cell phone without the PVA's knowledge. This employee prepared the checks for the cell phone bills and the former PVA would merely sign the checks. The employee would only pay a portion of the bills in order to avoid questions about the size of the bills. The outstanding balances and excessive use by the employee accumulated and led to the large phone bill that was eventually paid in full on August 28, 2000. The former PVA then took the necessary actions and dismissed this employee in September 2000.

Client Response -

So noted.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

We found that vehicle lease agreement payments were in accordance with contract requirements. The lease services were appropriate, for official business, and properly authorized.

Client Response -

So noted.

Honorable Paula Goff
Former Boone County Property Valuation Administrator
(Continued)

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion or limited assurance. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the former Property Valuation Administrator and the Revenue Cabinet and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a stylized flourish at the end.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Engagement fieldwork completed -
February 28, 2001

